

**IN THE UNITED STATES DISTRICT COURT
FOR EASTERN DISTRICT OF VIRGINIA**

Alexandria Division

UNITED STATES OF AMERICA

v.

SUNYU QIAN,

Defendant.

Case No. 1:24-mj-00078

**AFFIDAVIT IN SUPPORT OF
A CRIMINAL COMPLAINT AND ARREST WARRANT**

I, Emily Grove, being first duly sworn, hereby depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent with the United States Department of Homeland Security, Homeland Security Investigations (“HSI”), and have served in this capacity since May 2022. I am currently assigned to the HSI Washington, D.C., Counter Threat Group. I attended the Federal Law Enforcement Training Center, Criminal Investigator Training Program (“CITP”) in Glynco, GA, which was a 12-week training program covering the many facets of Federal criminal investigations. After completing CITP, I attended the HSI Special Agent Training add-on program consisting of an additional 17-weeks of advanced Federal investigative training covering the broad spectrum of crimes HSI investigates, including trade and export violations, immigration violations, counter proliferation investigations, narcotics trafficking, money laundering, and many more. In June 2023, I completed the 64-hour Intellectual Property Trade Enforcement Investigations Course at the HSI Headquarters, which provided training on commercial fraud, trade enforcement, computer and cybercrimes, U.S. Customs law, trade-based money laundering, and general financial crimes. Since 2012, I have served in the U.S. Navy

Reserves as an Intelligence Specialist, and currently hold the rank of Chief Petty Officer (Rank, E7). As an Intelligence Specialist with Naval Special Warfare, I have completed over 300 hours of training related to cyber warfare technology, money laundering, threat finance, transnational criminal organizations, and other illicit activities that fund criminal and terrorist organizations.

2. I was previously employed as a Henrico County Police Officer in Henrico, Virginia for eight years and left at the rank of Master Officer. There, I served as a Field Training Officer for two years. I graduated from the 57th Basic Police Academy on July 13th, 2013. Pursuant to my duties and training as a police officer, I received over two-thousand hours of enforcement, investigative, and intelligence training and resources resulting in extensive experience to identify, target, investigate, and prosecute crimes involving burglary, narcotics, fraud, theft, crimes against persons, organized and serial crimes, fugitive apprehension, and various other state misdemeanors and felonies.

3. This affidavit is based upon information supplied to me by other law enforcement officers, including other federal and local law enforcement personnel who are participating in the investigation. It is also based upon my personal involvement in this investigation and on my training and experience. This affidavit is intended to show only that there is sufficient probable cause for the requested warrant and does not set forth all of my knowledge about this matter. All dates in this affidavit are approximate.

4. I make this affidavit in support of a Criminal Complaint charging SUNYU QIAN with from January 2022 to at least February 2024, in the Eastern District of Virginia and elsewhere, knowingly and intentionally conspiring and agreeing with others known and unknown to commit wire fraud by knowingly devising and intending to devise a scheme and artifice to

defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises; and transmitting and causing to be transmitted interstate wire communications in furtherance of the conspiracy, contrary to Title 18, United States Code, Section 1343 and in violation of Title 18, United States Code, Section 1349.

PROBABLE CAUSE

I) The Fraudulent Gift Card Scheme

A. Background on the Scheme

5. Qian first came to the attention of federal authorities when a Best Buy, Co., Inc. (“Best Buy”) Fraud Analyst identified here as R.A. reached out about Qian’s activities. According to Best Buy records, Sunyu Qian redeemed portions of gift cards which had been purchased by victims of scams.

6. On or about August 2023, HSI, along with other law enforcement partners, began investigating a fraudulent scheme, whereby members of a criminal organization contacted victims across the United States via telephone or email and induced the victims to purchase gift cards from Best Buy and other large retailers, and transmit the gift card information to them. Sunyu Qian then used the gift cards to purchase high value electronics items.

7. First, fraudsters reach out to victims by phone and/or email and induce victims to purchase gift cards from Best Buy or other retailers in large denominations, usually \$500 increments, through a variety of false pretenses, primarily email phishing or phone call scams. After a victim purchases a gift card from Best Buy or another retailer, the victim sends the gift card number to the fraudster.

8. Then, someone either make in-store purchases with the gift card or load the funds from the gift card on to phone-based payment methods such as Apple Pay or Google Pay, and

some retailer specific applications, and place online orders or make in store purchases using the gift card information. For instance, the Best Buy cellphone application allows users to set up an account and add gift cards to the “wallet,” either by scanning the barcode of a gift card or entering the serial number of a gift card. This allows users to aggregate funds from multiple gift cards used to make purchases. These purchases often occur a short period of time after the victim loads the funds on to the gift card.

9. Since November 2020, the total value of gift card redemptions associated with Qian’s Best Buy transactions is \$3,042,499.42.

10. Best Buy was able to identify Qian, in part, because he made some purchases from Best Buy that combined fraudulently obtained gift cards and his personal credit and debit cards. Law enforcement has reviewed records from those credit and debit card companies and those records confirm Qian was making purchases at Best Buy. Similarly, Best Buy also provided surveillance footage of the person. I have reviewed that footage and compared the person depicted to known images of Qian. Based on my training and experience, I believe the person depicted in that surveillance footage is Qian.

B. Victim 1 and Victim 2 fall prey to the gift card scheme.

11. On January 14, 2022, a person identified here as Victim 1 reported to the Saint Petersburg Police Department that he had fallen victim to a scam. Victim 1 reported that on January 13, 2022 at approximately 5:00 pm, he received a notice on his personal laptop that fraudulent instances and offenders had accessed his bank account information. Victim 1 called the phone number listed on the alert and spoke to someone who claimed to be a representative from Microsoft. At the fraudster’s direction, Victim 1 purchased four \$500 Best Buy Gift Cards

at a drug store and four \$500 Target gift cards at a grocery store, both in Saint Petersburg, Florida. Victim 1 provided the gift card numbers and pins to an unknown person over the phone. On January 14, 2022 at 11:58 am, partial amounts from both gift cards were redeemed by Qian to purchase an Apple MacBook Pro at a Best Buy store located in Charlotte, NC. About two hours later, partial amounts from both gift cards were redeemed by Qian to purchase three sets of Apple AirPods Pro at another Best Buy store in Charlotte, NC.

12. To redeem the gift cards, a wireless telephone was scanned at the checkout register. During the transaction which occurred at 11:58 am, the Best Buy rewards account scanned in combination with the purchase belonged to Sunyu Qian, 12128 Monument Drive, Fairfax, VA, phone number 571-723-5961. Sunyu Qian's Virginia Department of Motor Vehicles registered address is 12128 Monument Dr Unit 137, Fairfax, VA.

13. In November 2022, a person identified here as Victim 2, while using his personal computer, received a pop-up from purportedly from Microsoft that his computer had been compromised and directed him to call a certain phone number. After being transferred to another person, Victim 2 was informed that his credit card had already been compromised and was directed to purchase gift cards to counter the fraudulent charges. Victim 2 purchased two \$500 Best Buy gift cards from stores in Los Angeles County, California.¹ Victim 2 was directed to provide the gift card numbers and PINs over the phone. The Best Buy gift cards were purchased on November 26, 2022 at 2:59 pm. On November 28, 2022, Qian redeemed both gift cards purchased by Victim 2, in addition to a portion of a third gift card purchased on November 1,

¹ Victim 2 also purchased \$1,000 in Macy's gift cards and \$1,000 in Target gift cards.

2022 at a Best Buy in Kentucky by another victim. Qian redeemed the gift cards for a computer monitor and Sony Bluetooth speaker for a total amount of \$1006.98. To complete the transaction, Qian presented a cellphone to the Best Buy cashier.

II) The Tag Switching Scheme

A. Background on the Scheme

14. Sunyu Qian was also identified by Target, Inc. (“Target”), as a perpetrator of a fraudulent “tag switching” scheme.

15. In a tag switching scheme, a barcode for one low value item is placed on another item, often with a similar description or of the same brand, in order to pay the lesser cost for the higher value item. This activity is usually conducted at self checkout registers. Qian conducted this scheme at both Target and Walmart to fraudulently obtain baby formula. Specifically, Qian would put a tag for a small container of baby formula on a large container of baby formula in order to defraud the stores. During the relevant time period, a 30 oz container of baby formula ranges from \$50-75, but a smaller 13 oz container can retail for approximately \$5.

16. For instance, on April 19, 2023 at 12:25 pm, Qian scanned four items at the self checkout register at the Target store located in Avon, Indiana. Qian scanned barcodes for four cans of 13 oz Enfamil Premium Infant Formula, priced at \$4.99 each. However, store video from the incident showed that Qian was scanning four cans of 30 oz. Enfamil Enspire Infant Formula priced at \$62.99. This caused a loss of \$232 to Target. Two days later, on April 21, 2023, \$2,600 was deposited into Sunyu Qian’s Bank of America checking account at an ATM in Centreville, VA.

17. As another example, on August 6, 2023, Qian used his Bank of America Visa debit card ending in 9232 at a Target in Chantilly, Virginia. During this trip, Qian executed the tag switching scheme by paying \$20.21 for baby formula worth \$172. Target reported that Sunyu Qian left in a vehicle with license plate KJA3638. Records show that from July 31, 2023 through August 7, 2023, Qian rented a vehicle with this same license plate number.

B. Qian is arrested locally and attempts to flee the United States

18. On Feb 25, 2024, Fairfax County Police Department (“FCPD”) Officers, Private First Class M. Stirling and Detective J. Collier responded to the Target located at 14391 Chantilly Crossing Lane, Chantilly, Virginia. Sitting in the store’s loss prevention office, officers encountered Qian. Officers observed four containers of baby formula, retail value \$62.99 that Qian carried past all points of sale. The receipt for the transaction showed that Qian scanned barcodes for \$2.99 each.

19. Based on this information FCPD conducted a probable cause arrest of Qian. The Commonwealth Attorney’s Office then charged Qian with multiple counts of larceny and price tag altering. On February 26, 2024, Qian was released on bond.

20. On March 2, 2024, I was notified that Qian had booked a one-way flight to China set to depart from Dulles International Airport on March 3, 2024.

CONCLUSION

21. Based on the information contained herein, I respectfully submit that there is probable cause to believe that SUNYU QIAN from January 2022 to at least February 2024, in the Eastern District of Virginia and elsewhere, knowingly and intentionally conspired and agreed with others known and unknown to commit wire fraud by knowingly devising and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises; and transmitting and causing to be transmitted interstate wire communications in furtherance of the conspiracy, contrary to Title 18, United States Code, Section 1343 and in violation of Title 18, United States Code, Section 1349.

Respectfully Submitted,



Emily Grove
Special Agent, *Homeland Security Investigations*

Respectfully submitted and attested to in accordance with the requirements of Fed. R. Crim. P. 4.1 via telephone this 3rd day of March 2024.



Digitally signed by Ivan D. Davis
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The Honorable Ivan D. Davis
United States Magistrate Judge